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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

JUN 24 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
MCI Telecommunications Corporation)
Petition for Declaratory Ruling Regarding)
the Joint Marketing Restriction in Section)
271(e)(1) of the Communications Act of)
1934, as amended by the)
Telecommunications Act of 1996)

DOCKET FILE COPY ORIGINAL

CC Docket No. 96-149

REPLY COMMENTS OF U S WEST, INC.

U S WEST, Inc. ("U S WEST") hereby submits this Reply to the Comments filed in this matter by AT&T Corp. ("AT&T").¹

Predictably, AT&T advances the same minimalist interpretation of the joint marketing standards pronounced by the Federal Communications Commission ("Commission") as MCI Telecommunications Corporation. AT&T protests the innocence of its advertising, yet several items attached to AT&T's Comments plainly tout its ability to provide "one-stop shopping," in plain violation of the Commission's standards.²

- AT&T attaches the script of a television commercial (Exhibit B, #1) that advertises both AT&T's long distance service and its local service (though primarily the latter), with a single toll-free number. That number – 1 800 ATT 4ALL – conveys the clear message that customers may dial that

¹ Comments of AT&T filed June 9, 1997.

² In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as Amended, First Report and Order and Further Notice of Proposed Rulemaking, 5 Comm. Reg. ("P&F") 696, 780-81 ¶ 280 (1996) ("Order").

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single number “for all” AT&T services.

- An AT&T “Questions & Answers” mailer (Exhibit B, #4, Page 1) urges prospective customers to –

call 1 800 222-0300. It’s the only number you need for information about your local service – or any AT&T service – for answers about calling across the street or around the globe. If you’re not currently using AT&T Long Distance, you can call this number for answers about your local service and to find out how AT&T can handle all of your calling needs.

Anyone reading this will conclude that they need only dial the listed number to obtain any AT&T service, including both local and long distance.

- In a radio interview (Exhibit B, #3), an AT&T spokesperson advises customers –

Whether they want local, long distance, wireless, Internet access or home entertainment, of which AT&T offers all, they can deal with one company for any combination of those services or all of them that they want.

AT&T defends this last item by claiming the statement is “no more than a truthful statement of the various services that AT&T offers.”³ But the statement that customers “can deal with one company for any combination of those services” implies the ability to obtain multiple services – including local and long distance services – in a single transaction: one-stop shopping.

AT&T’s view of the Commission’s Order shows up most tellingly in its contention that the only concern with the radio ad is the reporter’s statement that AT&T “will promote its services as a type of one-stop shopping.” Because the AT&T spokesperson did not utter the taboo words, AT&T says it cannot be held to account

³ AT&T at 10.

for them.⁴ But the reporter merely characterized – quite accurately in our view – the remarks of the AT&T spokesperson. If AT&T suggests its ability to provide one-stop shopping, the fact that it did not use those precise words is no defense. Indeed, the Commission expressly prohibited AT&T from implying its ability to offer one-stop shopping,⁵ and that is what AT&T did in the radio interview.⁶

For the reasons stated, the Commission should determine that the materials discussed above violate Section 271(e)(1) by falsely claiming that AT&T can offer one-stop shopping.

Respectfully submitted,

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By:



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June 24, 1997

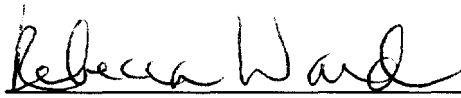
⁴ Id. at 10-11, n.7.

⁵ Order, 5 Comm. Reg. at 780-81 ¶ 280.

⁶ AT&T claims innocence because the statement was made to a reporter, and not as part of a marketing campaign. (AT&T at 10.) One need not be too great a cynic to find this disingenuous. A “news” report of this sort is little more than free advertising, and AT&T obviously saw it as such.

CERTIFICATE OF SERVICE

I, Rebecca Ward, do hereby certify that on this 24th day of June, 1997, I have caused a copy of the foregoing **REPLY COMMENTS OF U S WEST, INC.** to be served, via first-class U.S. Mail, postage-prepaid, upon the persons listed on the attached service list.



Rebecca Ward

***Via Hand-Delivery**

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